

PUBLIC DISCLOSURE

SEPTEMBER 6, 2005

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

NORTH BROOKFIELD SAVINGS BANK

90258

35 SUMMER STREET
NORTH BROOKFIELD, MA 01535

DIVISION OF BANKS
ONE SOUTH STATION
BOSTON, MA 02110

<p>NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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GENERAL INFORMATION

The Community Reinvestment Act ("CRA") requires the Massachusetts Division of Banks ("Division") to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting its needs of its entire assessment area, including low and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of **NORTH BROOKFIELD SAVINGS BANK (or the "Bank")** prepared by the Division, the institution's supervisory agency.

INSTITUTION'S CRA RATING: This institution is rated "High Satisfactory".

North Brookfield Savings Bank's overall CRA rating is based upon its performance under the five criteria contained herein. In addition, at management's request, the Bank's community development lending and services were reviewed. The following is a summarization of the findings, presented in descending order of weight given to each criterion, that were utilized in formulating North Brookfield Savings Bank's overall CRA rating.

- Distribution of Credit among Different Income Levels

There is a significant distribution of residential mortgage lending to individuals of low and moderate-income, given the demographics of the Bank's assessment area.

- Geographic Distribution of Loans

There is a satisfactory penetration of residential mortgage lending to the low and moderate-income census tracts in the Bank's assessment area.

- Comparison of Credit Extended Inside and Outside of the Assessment Area(s)

There is an adequate percentage of residential mortgage lending inside the Bank's assessment area.

- Loan to Deposit Analysis

The net loan to deposit ratios noted over an eight quarter period are at a reasonable level.

- Review of Complaints/Fair Lending Policies and Practices

Fair lending policies and practices are considered reasonable. No weight was given to a review of complaints, as none have been received since the prior examination.

GENERAL INFORMATION (CONTINUED)

- Community Development Lending and Services

At management's request, North Brookfield Savings Bank's community development lending and services were reviewed and were found to enhance community development lending and services in the assessment area and contributed to the overall rating of High Satisfactory.

PERFORMANCE CONTEXT

Description of Institution

North Brookfield Savings Bank is a mutual savings bank, incorporated under the laws of the Commonwealth of Massachusetts in 1854. As of the June 30, 2005 Federal Deposit Insurance Corporation's ("FDIC") Quarterly Call Report, North Brookfield Savings Bank had total assets of \$157,356,000. Of these total assets, \$89,914,000 or 57.1 percent were in the form of loans. The Bank has historically been a residential lender, with approximately 76.5 percent of its loan portfolio in one-to-four family residential mortgages.

Refer to the following chart which details the loan portfolio:

North Brookfield Savings Bank's Loan Portfolio as of June 30, 2005	
Type of Loans	% of Total Loans
Construction & Land Development	4.7
Secured by Farm Land	0.3
Residential Real Estate	
a. 1-4 Family Mortgages	76.5
b. Home Equity Lines (includes second mortgages)	8.3
Multifamily	0.8
Commercial Loans	
a. Commercial Real Estate	6.1
b. Commercial & Industrial Loans	1.1
Consumer Loans	
a. Credit Cards & Related Plans	0.2
b. Loans to Individuals/Other Loans	2.0
Total Loans	100.0

Source: FDIC Call Report, 06/30/05

North Brookfield Savings Bank operates five locations. Its main office is located on Summer Street as well as a loan center on Main Street, both in North Brookfield. In addition, the Bank maintains a branch office location on West Main Street in West Brookfield; a location on Thorndike Street in Palmer; and its newest location on Daniel Shays Highway in Belchertown which opened in 2004.

There appears to be no legal or regulatory impediments that would affect North Brookfield Savings Bank in meeting the needs of its community. The FDIC conducted the previous CRA evaluation as of April 27, 2004. That examination resulted in an "Outstanding" rating. The Division's last CRA evaluation as of October 12, 1999 also resulted in an "Outstanding" rating.

PERFORMANCE CONTEXT (CONTINUED)

Description of Assessment Area

North Brookfield Savings Bank's assessment area consists of the Hampshire County towns of Ware and Belchertown; the Hampden County Town of Palmer; and the Worcester County towns of North Brookfield, Brookfield, East Brookfield, Hardwick, New Braintree, Oakham, Rutland, Spencer, Warren, and West Brookfield.

The following presents North Brookfield Savings Bank's assessment area by Metropolitan Statistical Area ("MSA"). Also included are the 2003 Department of Housing and Urban Development ("HUD") estimated Median Family Incomes for each of the respective MSA's.

Assessment Area by Metropolitan Statistical Area (MSA)		
Worcester MSA	Springfield MSA	Non-MSA
East Brookfield, West Brookfield, North Brookfield, Rutland, Oakham, Spencer, and Brookfield	Belchertown, Ware, and Palmer	Hardwick, Warren, and New Braintree
Median Family Incomes		
Worcester MSA	Springfield MSA	Non-MSA
2003	2003	2003
\$68,000	\$56,800	\$60,300

In 2004, the Office of Management and Budget redefined the MSAs statewide. North Brookfield Savings Bank's assessment area now falls within both the Springfield and Worcester MSAs.

Refer to the following.

Assessment Area by Metropolitan Statistical Area (MSA)	
Worcester MSA	Springfield MSA
East Brookfield, West Brookfield, North Brookfield, Rutland, Oakham, Spencer, Brookfield, Hardwick, Warren, and New Braintree	Belchertown, Ware, and Palmer
Median Family Incomes	
Worcester MSA	Springfield MSA
2004	2004
\$69, 900	\$61, 200

Demographic and Economic Data

Change in Demographics

In 2003, the US Census Bureau released its revised demographics based upon 2000 census data. Because the MSAs were redefined in 2004, this affected some of the census tract income groupings in 2004. However, the 2004 redefined MSA data of North Brookfield Savings Bank's assessment area reflected no change in its census tract income groupings.

PERFORMANCE CONTEXT (CONTINUED)

Refer to the following.

Selected Housing Characteristics by Income Category of the Geography Based on the Redefined 2004 Census Data							
Geographic Income Category	Percentage						Median Home Value (\$)
	Census Tracts	Households	Housing Units	Owner- Occupied	Rental Units	Vacant Units	
Moderate	18.8	20.3	20.5	14.6	34.8	23.3	110, 762
Middle	75.0	73.4	73.4	77.9	61.9	74.3	131, 988
Upper	6.2	6.3	6.1	7.5	3.3	2.4	149,700
Total or Median	100.0	100.0	100.0	100.0	100.0	100.0	130, 784

Source: U.S. Census

Description of Aggregate Data Utilized/Lending Activity

Aggregate data, for residential mortgage lending performance purposes only, constitutes both large and small mortgage companies; savings banks; commercial banks; cooperative banks; and credit unions which have originated and/or purchased at least one residential mortgage and/or home improvement loan within the Bank's assessment area. Total number of originations/purchases received by these lenders in calendar year 2003 was 8,650. North Brookfield Savings Bank originated and/or purchased 117 residential mortgage loans ranking it 19th with a market share ranking of 1.3 percent within its assessment area.

PERFORMANCE CRITERIA

1. DISTRIBUTION OF CREDIT AMONG DIFFERENT INCOME LEVELS

Based upon the analysis, North Brookfield Savings Bank's distribution of its residential mortgage lending within its assessment area to borrowers of low and moderate-incomes is considered to be substantial. Therefore, an "Exceeds Standards for Satisfactory Performance" rating is assigned.

An analysis was performed of residential mortgage lending, reportable under the Home Mortgage Disclosure Act ("HMDA") extended within North Brookfield Savings Bank's assessment area, among various income levels for the period under review. For the purposes herein, the period under review for HMDA reportable lending constitutes calendar years 2003 and 2004. A HMDA reportable loan is defined as home purchase loans (including originations, purchases, and refinances) as well as home improvement loans. Originations were categorized by the ratio of the applicant's reported incomes to the 2003 and 2004 estimated median family incomes of the appropriate MSA.

Low income is defined by the US Census Bureau as income below 50 percent of the median family income level for the MSA; moderate income is defined as 50 to 79 percent of the median family income; middle income is defined as income between 80 and 119 percent of the median family income; and upper income is defined as income greater than 120 percent of the median family income.

The following table presents the Bank's performance as well as the 2003 aggregate data (exclusive of North Brookfield Savings Bank) of HMDA reportable lending by percentage. In addition, the table also reflects the percentage of family households (per 2000 census data and the redefined 2004 census data) in each of the borrower income categories.

Distribution of Home Mortgage Loans by Borrower Income									
Median Family Income Level	% Total Family Households Per 2000 Census Data	2003 Aggregate Lending Data (% of #)	2003 Bank Data		% Total Family Households Per Redefined 2004 Census Data	2004 Bank Data		Total	
			#	%		#	%	#	%
Low	17.4	4.8	10	8.6	18.1	14	11.5	24	10.0
Moderate	19.3	18.9	30	25.6	19.2	30	24.6	60	25.1
Middle	25.5	30.1	32	27.4	25.6	41	33.6	73	30.6
Upper	37.8	34.6	45	38.4	37.1	37	30.3	82	34.3
NA	0.0	11.6	0	0.0		0.0	0	0.0	0
Total	100.0	100.0	117	100.0	100.0	122	100.0	239	100.0

Source: U.S. Census, HMDA LAR, HMDA Aggregate Data

As indicated in the table, North Brookfield Savings Bank's percentage of lending to both low and moderate-income borrowers is above that of the aggregate in 2003. In 2004, the Bank's lending to low-income borrowers increased by 40.0 percent. Although the Bank's lending to the moderate-income borrowers remained level in 2004, the percentage of lending continued to be well above the percentage of family households in that category and the aggregate performance.

PERFORMANCE CRITERIA (CONTINUED)

By dollar volume in 2003, North Brookfield Savings Bank originated 4.7 percent of its residential mortgage lending to low-income borrowers, above the 2003 aggregate data by dollar volume of 3.2 percent to low-income borrowers. Lending by dollar volume to moderate-income borrowers was 20.7 percent; also above aggregate lending of 15.7 percent to those borrowers in 2003.

By dollar volume in 2004, North Brookfield Savings Bank originated 5.4 percent of its residential mortgage lending to low-income borrowers and the Bank originated 21.9 percent by dollar volume to moderate-income borrowers.

Therefore, over the period reviewed North Brookfield Savings Bank's level of residential mortgage lending particularly to borrowers of low and moderate-income is considered to exceed standards for satisfactory performance.

2. GEOGRAPHIC DISTRIBUTION OF LOANS

The following analysis indicates that North Brookfield Savings Bank appears to have achieved a satisfactory penetration of its HMDA reportable lending to the moderate-income census tracts within its assessment area. Therefore, a rating of "Meets Standards for Satisfactory Performance", is assigned.

Based upon 2000 census data, North Brookfield Savings Bank's assessment area contained sixteen census tracts. Of those tracts, three or 18.8 percent are moderate-income, twelve or 75.0 percent are middle-income, and one or 6.2 percent are upper-income. There were no low-income census tracts in the assessment area.

Further, an analysis of North Brookfield Savings Bank's residential mortgage lending extended within the various census tracts contained within its assessment area for calendar year 2004 was also conducted. As previously indicated, in 2004, the Office of Management and Budget redefined the MSAs statewide. However, none of North Brookfield Savings Bank's census tract income designations were affected.

A review of HMDA reportable lending extended within the various census tracts contained within North Brookfield Savings Bank's assessment area was conducted. The following table presents the Bank's performance as well as the 2003 aggregate data (exclusive of North Brookfield Savings Bank) of HMDA reportable lending by percentage. In addition, the table also reflects the percentage of owner-occupied housing units (per 2000 census data and the 2004 redefined census data) in each of the census tract income categories.

PERFORMANCE CRITERIA (CONTINUED)

Distribution of Home Mortgage Loans by Income Category of the Census Tract									
Census Tracts	% Total Owner-Occupied Housing Units Per 2000 Census Data	2003 Aggregate Lending Data (% of #)	2003 Bank Data		% Total Owner-Occupied Housing Units Per Redefined 2004 Census Data	2004 Bank Data		Total	
			#	%		#	%	#	%
Moderate	14.6	12.9	7	6.0	14.6	8	6.6	15	6.3
Middle	77.9	78.5	110	94.0	77.9	112	91.8	222	92.9
Upper	7.5	8.6	0	0.0	7.5	2	1.6	2	0.8
Total	100.0	100.0	117	100.0	100.0	122	100.0	239	100.0

Source: U.S. Census, HMDA LAR, HMDA Aggregate Data

As indicated, North Brookfield Savings Bank's percentage of lending to the three moderate-income census tracts was below that of the aggregate and the demographic percentages in 2003.

In 2004, the Bank's percentage of lending to the moderate-income census tracts improved slightly however, it still remained below that of the redefined demographic percentages in 2004.

By dollar volume in 2003, North Brookfield Savings Bank originated 6.3 percent of its HMDA reportable lending to its moderate-income census tracts again below the 2003 aggregate data by dollar volume of 12.1 percent.

By dollar volume in 2004, the Bank originated 5.8 percent of its HMDA reportable lending to the moderate-income tracts also below the redefined demographic percentages in 2004.

As the demographic data indicates, the substantial availability of owner-occupied housing lies within the middle-income census tracts in the Bank's assessment area. North Brookfield Savings Bank's percentage of lending in those tracts surpassed both the demographic percentages in 2003 and 2004, as well as the aggregate percentage in 2003.

Therefore, given the demographics of North Brookfield Savings Bank's moderate and middle-income census tracts within its assessment area, the geographic distribution of its HMDA reportable lending to the three moderate-income census tracts within its assessment area is considered to be satisfactory.

3. COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE OF THE ASSESSMENT AREA (S)

Based upon the following data, North Brookfield Savings Bank has achieved a reasonable level of its HMDA reportable lending within its assessment area. Consequently, this pattern of lending is rated "Meets Standards for Satisfactory Performance".

PERFORMANCE CRITERIA (CONTINUED)

An analysis of HMDA reportable lending extended both inside and outside of North Brookfield Savings Bank's assessment area for the period under review was performed. The following table illustrates North Brookfield Savings Bank's level of HMDA reportable lending both inside and outside its assessment area.

Distribution of Home Mortgage Loans Inside and Outside of the Assessment Area												
Year	Inside				Outside				Total			
	Number of Loans		Dollar Volume (000)		Number of Loans		Dollar Volume (000)		Number of Loans		Dollar Volume (000)	
	#	%	\$	%	#	%	\$	%	#	%	\$	%
2003	117	67.2	14,798	57.9	58	32.8	10,769	42.1	175	100.0	25,567	100.0
2004	122	78.2	17,380	70.9	34	21.8	7,149	29.1	156	100.0	24,529	100.0
Total	239	72.2	32,178	64.2	92	27.8	17,918	35.8	331	100.0	50,096	100.0

Source: HMDA LAR.

As indicated, North Brookfield Savings Bank granted a majority of the number and dollar volume of its residential mortgage lending to those communities within its assessment area. However, the Bank's overall HMDA reportable lending has decreased. For the period reviewed the overall number of loans decreased by 10.9 percent and the dollar volume declined by 4.1 percent. However, despite the decline in overall HMDA reportable lending, the Bank's level of penetration within its assessment area is considered to be reasonable.

4. LOAN TO DEPOSIT ANALYSIS

Based upon the following, North Brookfield Savings Bank's net loan to total deposit ratio appears to be reasonable and, as such, is rated "Meets Standards for Satisfactory Performance".

An analysis of North Brookfield Savings Bank's loan to deposit ratio was performed. The calculation incorporated eight quarters of the Bank's net loans to total deposit figures as reflected in the Bank's quarterly FDIC Call Reports. The quarters reviewed included the periods from September 2003 through June 2005. The Bank's net loan to total deposit ratio, on average, was 63.1 percent. This ratio has fluctuated from a low of 62.0 percent in September 2003, to a high of 65.2 percent in June 2005.

Refer to the following.

North Brookfield Savings Bank's Loan to Deposit Ratios*	
Dates	Ratio (%)
September 30, 2003	62.0
December 31, 2003	62.4
March 31, 2004	62.2
June 30, 2004	62.7
September 30, 2004	63.2
December 31, 2004	62.7
March 31, 2005	64.4
June 30, 2005	65.2

* Source: FDIC Call Reports.

PERFORMANCE CRITERIA (CONTINUED)

Over the period reflected in the table, North Brookfield Savings Bank's net loan portfolio increased by 6.7 percent while deposits grew by 1.4 percent. From September 30, 2003 through September 30, 2004, the Bank's loan portfolio increased by only 2.2 percent, while deposits grew by a nominal 0.2 percent.

It should be noted that North Brookfield Savings Bank does not sell its residential mortgage loans to secondary market investors.

A comparison of North Brookfield Savings Bank's loan to deposit ratio to that of a representative selection of area financial institutions was also performed. As of March 31, 2005 (latest data available), North Brookfield Savings Bank had total assets of \$157,153,000 and a net loan to deposit ratio of 64.4 percent.

Those institutions chosen for this analysis either have a main office or branch location in North Brookfield Savings Bank's assessment area or, based upon the aggregate data, reflect a representation of institutions that received a market share ranking of 21st or better within North Brookfield Savings Bank's assessment area. The data presented is as of March 31, 2005.

COMPARATIVE NET LOAN TO TOTAL DEPOSIT RATIOS*		
Institution	Total Assets \$(000)	Net Loan to Total Deposit Ratios (%)
Barre Savings Bank	122,648	69.3
Country Bank for Savings	1,059,222	86.0
Monson Savings Bank	174,488	86.1
North Brookfield Savings Bank	157,153	64.4
Southbridge Savings Bank	384,882	101.1
Spencer Savings Bank	273,365	93.1
Ware Co-operative Bank	62,738	80.9

*As of March 31, 2005.

Based on the aforementioned analysis, North Brookfield Savings Bank has achieved a reasonable loan to deposit level given its capacity to lend and the credit needs of its assessment area.

5. REVIEW OF COMPLAINTS/FAIR LENDING POLICIES AND PRACTICES

North Brookfield Savings Bank received no CRA related complaints in the period under review. The Bank has a satisfactory record of implementing fair lending policies and practices. The following discussion is based on the guidelines of the Division's Regulatory Bulletin 2.3-101.

As of September 2005, North Brookfield Savings Bank had 36 full-time and 13 part-time employees as well as 5 seasonal college student employees. Secondary languages spoken include Chinese, Eastern Indian, and Spanish.

PERFORMANCE CRITERIA (CONTINUED)

The Bank offers fixed and adjustable rate mortgage products. These include 15 and 30 year fixed rate mortgages as well as 1 year, 3/1 year, and 5/1 adjustable rate mortgages. Private mortgage insurance is required when the loan to value exceeds 80 percent.

In 2005, North Brookfield Savings Bank began offering a new mortgage insurance program offered by MassHousing's Mortgage Insurance Fund entitled MI Plus. This product is only offered to first time home buyers. MI Plus provides basic mortgage insurance allowing for little or no down payment. In addition, MI Plus will pay up to six months of the principal and interest portion of the monthly mortgage payment in the event that the borrower becomes unemployed during the first ten years of the mortgage term. North Brookfield Savings Bank has granted one pre-approval under the MI Plus loan for \$165,000.

North Brookfield Savings Bank has a secondary loan review procedure. If a loan is being denied by the originating/underwriting officer, an additional lending officer reviews the file. In addition, two members of the Bank's Board of Trustees reviews all denied loans.

The Bank is a member of the Massachusetts Bankers' Association, who offers a variety of professional training seminars. Those seminars included HMDA/CRA, Components of Fair Lending, and Predatory Lending.

A Fair Lending review was conducted at this examination. This review was conducted in accordance with the Federal Financial Institutions Examination Council ("FFIEC") Interagency Fair Lending Examination Procedures. Based on the sample reviewed, no evidence of disparate treatment of applicants was noted.

Minority Application Flow

For the period reviewed, North Brookfield Savings Bank received a total of 3 HMDA reportable mortgage applications from various minority groups, representing 1.2 percent of all applications received from within its assessment area. Of those minority applications, all were originated.

The following table reflects the minority applications received by the Bank from within its assessment area. Also included in the table are the minority demographics of North Brookfield Savings Bank's assessment area based upon 2000 census data as well as the 2003 aggregate data (exclusive of North Brookfield Savings Bank).

PERFORMANCE CRITERIA (CONTINUED)

Refer to the following:

Distribution of Home Mortgage Loan Applications by Race								
Race	Racial Demographics Per 2000 Census Data	2003 Aggregate Lending Data (% of #)	2003 Bank Data		2004 Bank Data		Total	
			#	%	#	%	#	%
Native American	0.2	0.3	0	0.0	1	0.7	1	0.4
Asian	0.5	0.5	0	0.0	0	0.0	0	0.0
Black	0.6	0.6	1	0.8	0	0.0	1	0.4
Hawaiian	0.0	0.0	0	0.0	1	0.7	1	0.4
Hispanic	1.3	0.8	0	0.0	0	0.0	0	0.0
Joint Race	0.0	0.0	0	0.0	0	0.0	0	0.0
Other	1.0	2.0	0	0.0	0	0.0	0	0.0
Total Minority	3.6	4.2	1	0.8	2	1.4	3	1.2
White	96.4	75.4	123	99.2	125	92.6	248	95.8
Not Provided	0.0	16.4	0	0.0	0	0.0	0	0.0
NA	0.0	4.0	0	0.0	8	6.0	8	3.0
Total	100.0	100.0	124	100.0	135	100.0	259	100.0

Source: U.S. Census, HMDA LAR, HMDA Aggregate Data

Given the demographics of its assessment area, North Brookfield Savings Bank's level of minority applications is considered reasonable.

COMMUNITY DEVELOPMENT LENDING AND SERVICES

At management's request, North Brookfield Savings Bank's community development lending and services were reviewed. The Bank's activities in these areas enhanced credit availability within its assessment area and contributed to the overall rating of "High Satisfactory."

The Quaboag Valley Community Development Corporation ("QV CDC") is a non-profit organization which focuses on the Ware River Valley Economic Target Area, consisting of the communities located within North Brookfield Savings Bank's assessment area that have been affected by adverse economic conditions in recent years. QV CDC's objectives are to redevelop blighted commercial areas, create jobs, offer training programs, and coordinate both private and public resources to address regional economic redevelopment projects.

In 2005, the QV CDC applied for and received a \$400,000 Community Development Block Grant from the Massachusetts Department of Housing and Community Development. The grant monies were to be applied as a deferred loan to the QV CDC for the conversion of 25,000 square feet of former manufacturing space in the Town of Ware into mixed use space. In particular, this space was to be utilized for the training/educational needs of the QV CDC, the Ware Adult Center, and the Ware Head Start Program.

PERFORMANCE CRITERIA (CONTINUED)

North Brookfield Savings Bank has committed \$225,000 in loan funds to the QV CDC. The Bank's financial commitment was utilized within the grant proposal as private investor funds thereby providing added strength to the application process.

In June 2005, the QV CDC learned that the intended location for its project was no longer available however; both the Block Grant monies and North Brookfield Savings Bank's commitment of \$225,000 remain intact. In addition to this financial commitment, North Brookfield Savings Bank's President and Chief Executive Officer serves on the Board of Directors of the QV CDC.

North Brookfield Savings Bank continues to participate in a loan pool administered by Quaboag Valley Business Assistance Corporation ("QVBAC") a division of the QV CDC. QVBAC provides business training and technical assistance to start-up and early stage businesses, as well as loans to regional businesses that cannot access comparable financing from private sources. Initially, the Bank's participation was a \$25,000 line of credit into a total pool of \$300,000. In December 2003, the Bank's participation increased to a \$50,000 line of credit into a total pool of \$450,000. This pool enables QVBAC to offer "alternative" loans to regional businesses. For 2003 and 2004, QVBAC granted 4 loans totaling \$186,000 to area small businesses. In addition to its financial commitment, North Brookfield Savings Bank's President and Chief Executive Officer serves on the Board of Directors of the QVBAC and this individual, along with the Bank's Vice President of Lending, serve on the loan committee of QVBAC.

In 2005, The Town of North Brookfield was awarded an \$860,500 grant from the Housing Development Support Program, a component of the Massachusetts Community Development Block Grant Program. The funds were provided to assist in the development of a project known as the six-unit Duncan Building Affordable Housing Project. The Duncan Building, located on Main Street in downtown North Brookfield, is a three story brick building of which the two upper floors have been vacant for 25 years. Under the plan submitted by the town, the vacant two floors would be renovated to create six new rental units, of which five are designated as affordable housing units.

North Brookfield Savings Bank has committed \$250,000 in loan funds to the Duncan Building Project. Again, the Bank's commitment was utilized as private investor funds within the grant proposal thereby providing added strength to the application process.

In addition, many Bank employees serve, in varying capacities, on the Quaboag Valley Chamber of Commerce and area Rotary Clubs. Lastly, the Bank offers school banking in the Brookfield Elementary School.

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act ("CRA") Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (35 Summer Street, North Brookfield, MA 01535)."

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that community shall also include the address of the designated office for that community.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.